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DD/S:LEW:mrp  
26 December 1956

MEMORANDUM FOR: Chairman of the Board of GEHA

1. This will confirm my recent discussions with the GEHA Board as to what our future policies and procedures shall be with regard to life insurance coverage for Agency employees who may be engaged in particularly hazardous duties.
2. The Board and the Agency recognize that the basic purpose of our insurance program is to meet the Agency's requirements, both for coverage and for security. We both also recognize the responsibility of the GEHA Board to the Agency and its particular needs, as well as its responsibility to individual policyholders.
3. Our primary objective and general policy shall be to provide coverage to all staff employees, staff agents, contract employees or civilian or military personnel on bona fide detail to the Agency without regard to the nature of their duties. Financial advantages to our policyholders such as greater dividends or lower premiums is a good but secondary objective.

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4. However, the Agency and the Board recognize that exceptional cases may arise wherein coverage involves a risk so great that our policyholders generally might be required to pay substantially higher premiums for coverage, or our basic contract might be in danger of cancellation, or our program otherwise placed in serious jeopardy. When such a case arises and security permits, the Deputy Director (Support) and the GEHA Board shall consult to consider whether it is appropriate for GEHA to provide the coverage. If there is disagreement, the case will be referred to the Director. If security does not permit, the Deputy Director (Support) will undertake to present the facts to the Director. In either case, the Director's decision shall be final and binding.

L. K. WHITE  
Deputy Director  
(Support)

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